

**ENERGY REVENUE AMERICA, INC.
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)**

**ENERGY REVENUE AMERICA, INC.
AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
(unaudited)**

	DECEMBER 31, 2015
ASSETS	
Cash and cash equivalents	\$ 6,527
Advances and prepaid expenses	0
Total current assets	6,527
Property and Equipment, net	42,239
Oil and gas properties, full cost method	
Evaluated, net of accumulated depreciation	3,087,585
Advances and deposits	38,552
Total assets	\$ 3,174,903
LIABILITIES AND SHAREHOLDER'S DEFICIT	
Accounts payable	\$589,363
Accrued interest	1,231,157
Advances	262,325
Total current liabilities	2,082,845
Convertible notes payable	1,426,600
Notes payable	2,454,205
Total liabilities	5,963,650
Shareholders' deficit	
Common stock (\$.001, par value, 100,000,000 shares authorized, 42,241,111 shares issued and outstanding at December, 31, 2015)	47,241
Preferred stock, par value \$.001; 5,000,000 shares authorized; shares issued and outstanding: 0	0
Additional paid-in-capital, net of issuance costs of \$947,678	18,217,513
Accumulated deficit	(21,053,501)
Total shareholders' deficit	(2,788,748)
Total liabilities and shareholders' deficit	\$ 3,174,903

See accompanying notes to unaudited financial statements

**ENERGY REVENUE AMERICA, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS**

(unaudited)

	YEAR ENDED DECEMBER 31, 2015
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Revenue	
Natural Gas Sales	\$ 22,920
Gas production costs	136,857
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	(113,937)
Expenses	
General and administrative	357,630
Operating Income	<hr/>
	(471,567)
Interest expense	461,799
Net Loss before taxes extraordinary items	<hr/>
	(933,366)
Extraordinary item:	
Extraordinary gain, net of taxes of \$0	1,625,807
Net loss	<hr/> <hr/>
	\$ 692,441

See accompanying notes to unaudited financial statements

**ENERGY REVENUE AMERICA, INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN CASH FLOWS
(unaudited)**

	YEAR ENDED DECEMBER 31, 2015
Operating activities	
Net Income	\$ 692,441
Changes in operating assets and liabilities:	
Prepaid Expenses and Other	57,810
Accounts payable	(95,984)
Accrued interest	(414,283)
Advances	(20,220)
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Net cash used in operating activities	219,765
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CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in Advances and Deposits	(9,530)
Increase in property and equipment	(12,059)
Increase in oil and gas properties	(482,585)
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Net cash utilized from investment activities	(504,174)
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CASH FLOWS FROM FINANCING ACTIVITIES	
Increase in Notes Payable	164,174
Issuance of Common Stock	5,000
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Net cash provided by financing activities	169,174
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Net increase in cash	(115,235)
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CASH AND EQUIVALENTS AT DECEMBER 31, 2014	134,262
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CASH AND EQUIVALENTS AT DECEMBER 31, 2015	\$ 19,027
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Supplemental Cash Flow Disclosure:	
Interest paid during the year ended, December 31, 2014	\$0
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See accompanying notes to unaudited financial statements

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT
(unaudited)

For the Year Ended December 31, 2015

	<u>Common Stock</u>		<u>Additional</u>	<u>Issuance Costs</u>	<u>Accumulated Deficit</u>	<u>Shareholders'</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid in Capital</u>	<u>of Paid in Capital</u>		<u>Deficit</u>
Balances at December 31, 2014	42,241,111	\$ 42,241	\$ 19,165,191	\$ (947,678)	\$ (21,733,442)	\$ (3,473,688)
Shares issued in year ended December 31, 2015	5,000,000	\$ 5,000	0	-	-	5,000
Net income for the year ended December 31, 2015	-	-	-	-	692,441	692,441
Balances at December 31, 2015	47,241,111	\$ 47,241	\$ 19,165,191	\$ (947,678)	\$ (21,041,001)	(\$2,776,247)

See accompanying notes to unaudited financial statements